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September 2023

PRESENTATION OF THE IMPLEMENTING RULES AND REGULATIONS (IRR) OF THE NEW AGRARIAN EMANCIPATION ACT AND SIGNING OF EXECUTIVE ORDER EXTENDING THE MORATORIUM ON THE PAYMENT OF THE PRINCIPAL OBLIGATION AND INTEREST ON AMORTIZATION ON AGRARIAN DEBT BY TWO YEARS.



Philippine President Ferdinand R. Marcos, Jr. shows the signed EO 40.

PBBM signs EO 40 extending moratorium on agrarian debt payment

On September 12, 2023, the Department of Agrarian Reform (DAR) presented the implementing rules and regulations (IRR) of the RA 11953, otherwise known as the New Agrarian Emancipation Act, to Philippine President Ferdinand R. Marcos, Jr. With this IRR, over 600,000 agrarian reform beneficiaries (ARBs) will be able to avail of the benefits of a debt condonation program under the law.

The IRR provides for procedures on processing of condonation of the agrarian debt and the assumption by the government of unpaid amortizations to landowners under the Voluntary Land Transfer and the Direct Payment Scheme (VLT/DPS).

During the same event, President Marcos signed Executive Order No. 40, which extends the moratorium on payments of amortization on agrarian debt by two years.

This provides for moratorium on the payment of the principal obligation and interest on amortization payable by the ARB, to include even those who were not covered by the New Emancipation Law.

DAR and LANDBANK were tasked to come out with the IRR for EO 40, within 15 days after the effectivity of the new issuance.

After the event, LANDBANK President and CEO Lynette V. Ortiz turned over the Bank's data on ARBs to Agrarian Reform Secretary Conrado M. Estrella III.



LANDBANK President and CEO Lynette V. Ortiz (center) turned over the Bank's data on ARBs to Agrarian Reform Secretary Conrado M. Estrella III (2nd from right). They were joined by (from right) Former Agriculture Secretary Leonardo Montemayor, LANDBANK Corporate Services Sector Head, Executive Vice President Alex A. Lorayes, and Property Valuation and Field Operations Group Head, Vice President Atty. Marife Lynn O. Pascua.

LANDBANK loans to rice farmers reach P2.2B under ERCA-RCEF

To boost local rice production amid challenges faced by the rice industry, LANDBANK has released P2.2 billion in loans to 13,701 rice farmers and cooperatives as of July 31, 2023 through the Expanded Rice Credit Assistance under the Rice Competitiveness Enhancement Fund (ERCA-RCEF).

A total of P1.1 billion of the Bank's loan releases under ERCA-RCEF financed palay production, while P507.5 million was earmarked for relending to small rice farmers listed under the DA's Registry System for Basic Sectors in Agriculture (RSBSA); P394.1 million for rice trading and milling; and P222 million for the purchase of farm machineries and equipment.

"LANDBANK is doing its share to strengthen local rice production by providing accessible and responsive financial assistance to rice farmers. In partnership with the DA, the ERCA-RCEF program forms part of our commitment to advance the agriculture sector and empower Filipino farmers," said LANDBANK President and CEO Lynette V. Ortiz.

Of the 13,701 beneficiaries, 4,783 hailed from Region 2, particularly the rice-producing provinces of Cagayan, Nueva Vizcaya and Quirino.

LANDBANK also assisted 1,858 beneficiaries from Region 3; 1,463 from Region 6; 1,334 from Region 13; 1,323 from Region 4-B; and the rest from Regions 1, 4-A, 5, 7, 8, 9, 10, 11, 12, and the Cordillera Administrative Region (CAR).

"Malaki ang naitulong ng ERCA-RCEF sa aming pagsasaka dahil mababa ang interes nito kumpara sa ibang pautang. Sana ay magtuluytuloy pa ang Programang ito para marami pang magsasakang gagaya ko ang matulungan," said Noemi C. Negrillo, a 68-year-old rice farmer from Quirino province who was able to purchase farm inputs and sustain her rice production through a loan under the ERCA-RCEF.

Implemented in partnership with the Department of Agriculture (DA), the ERCA-RCEF is a credit facility which aims to boost the productivity and income of small rice farmers and their cooperatives, and cushion the initial impact of Republic Act No. 11203, also known as the Rice Tariffication Law (RTL).



LANDBANK has fully disbursed the allocated fund for ERCA-RCEF from 2019 to 2022, and shall continue to make available P500 million in loans annually until 2024 to cooperatives and rice farmers registered under the RSBSA in the country's 38 rice-producing provinces.

The ERCA-RCEF Program allows individual rice farmers to borrow up to 90% of their total project cost at a low fixed interest rate of 2% per year.

The loan may be used to purchase farm inputs for rice and rice seed production, farm machineries and equipment for production and post-production, working capital for rice and seed trading, as well as relending and rediscounting of existing loans of small rice farmers listed under the DA's RSBSA.

LANDBANK, DBM join hands to expedite gov't purchases

LANDBANK remains committed to leveraging digital solutions and promoting the adoption of digital payments. The Bank recently onboarded its third government agency, the Department of Budget and Management (DBM), to avail of the LANDBANK Government Purchase Card (GPC), following the Bureau of the Treasury (BTr) and the Department of Finance (DOF).

The LANDBANK GPC is a credit card that enables authorized DBM personnel to streamline payments for official expenses. It provides a faster and more efficient means of paying for goods and services, eliminating procurement lead-time and reducing administrative paperwork, costs, and time in settling obligations to suppliers.

To enhance efficiency and transparency, the GPC features pre-defined expenditure and credit limits, e-mail alerts for all transactions, availability for online and cashless transactions via Point-of-Sale (POS), and monthly electronic statements of accounts.



Towards greater efficiency and transparency – DBM Secretary Amenah F. Pangandaman (right) and LANDBANK President and CEO Lynette V. Ortiz (left) hold a LANDBANK Government Purchase Card (GPC) during the signing of a memorandum of agreement for partnership on August 3, 2023 at the LANDBANK Plaza in Manila.

LANDBANK's collaboration with DBM aims to accelerate the National Government's digital transformation journey, leading to improved governance, transparency, and service delivery.

The GPC Program is a joint initiative of the Bureau of the Treasury (BTr), DBM, and LANDBANK, aimed at promoting a convenient, transparent, and efficient payment process to further drive public digital financial management.

LANDBANK Integrated Management Policy

As a universal bank with a social mission, LANDBANK endeavors to deliver quality, secure, and responsive banking services while promoting development and sustainability.

Toward this end, LANDBANK will:

- Promote a culture of service excellence, professionalism, and social responsibility across all ranks;
- Ensure that services are effective, at par with local and international standards, and responsive to the changing needs of clients and stakeholders;
- Comply with applicable laws, regulations and covenants that we subscribe to and ensure that financed projects adhere to all environmental laws and regulations; and
- Continuously improve our integrated management system by incorporating applicable best practices based on relevant ISO Standards.

We believe that putting premium on quality is one of the best ways of showing how much we value our relationship with clients, partners and other stakeholders.

Approved by the LANDBANK Management Committee on September 13, 2023.

LANDBANK maintains position as one of the country's leading banks

RANK
2

Assets

3,025.90
7.93%

Deposits

2,682.65
9.19%

RANK
4

Loans

1,092.47
9.53%

Capital

236.30
14.44%

As of June 30, 2023 (In P Billion)

LANDBANK remained as one of the Top Ten Universal and Commercial Banks (UKBs) in the country as of the second quarter of 2023. The Bank maintained its position as the second largest bank in terms of assets and deposits after respectively obtaining an increase of 7.93% and 9.19% in growth rate. Meanwhile, the Bank sustained its fourth position in terms of loans and capital after earning 9.53% and 14.44% increase in growth rate, respectively.

The ranking of the Top Ten UKBs was based on press releases and published Statements of Condition (SOC) of Philippine Banks sourced from the Philippine Stock Exchange (PSE) and Philippine Dealing System (PDS).

Maging Makalikasan at Digital para sa Higit na Matatag.
Ingklusibo, at Masaganang Kinabukasan Para sa Lahat.

Ang Land Bank of the Philippines ay nakikiisa sa pagdiriwang ng **21st Development Policy Research Month** SEPTEMBER 2023

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